

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et  
al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

**TWENTY NINTH MONTHLY FEE STATEMENT OF FTI CONSULTING, INC. FOR  
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF  
EXPENSES INCURRED AS FINANCIAL ADVISOR TO THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS FOR THE PERIOD FROM  
SEPTEMBER 1, 2021 THROUGH SEPTEMBER 30, 2021**

Name of Applicant: FTI Consulting, Inc.

Authorized to provide Professional Services  
to: Official Committee of Unsecured Creditors

1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Date of Retention: December 19, 2018, *nunc pro tunc* to October 25, 2018

Period for which compensation and reimbursement is sought: September 1, 2021 through September 30, 2021

Monthly Fees Incurred: \$46,036.00

Monthly Expenses Incurred: \$0.00

Total Fees and Expenses: \$46,036.00

This is a: X monthly \_\_\_\_ interim \_\_\_\_ final application

This statement (the “**Fee Statement**”) of FTI Consulting, Inc. (together with its wholly owned subsidiaries and independent contractors, “**FTI**”) as financial advisor to the Official Committee of Unsecured Creditors of Sears Holdings Corporation, *et al.* (the “**Committee**”) is submitted in accordance with the *Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [ECF No.796] entered on November 16, 2018, (the “**Order**”). In support of this Fee Statement, FTI respectfully states as follows.

1. The fees and expenses for the period from September 1, 2021 through and including September 30, 2021 (the “**Twenty Ninth Fee Period**”) amount to:

Professional Fees	\$46,036.00
Expenses	<u>0.00</u>
<b>TOTAL</b>	<b><u>\$46,036.00</u></b>

2. In accordance with the Order, if no timely and proper objection is made by a party-in-interest within fifteen (15) days after service of this Fee Statement, the Debtors are authorized to pay 80% of professional fees and 100% of out-of-pocket expenses. These amounts are presented below.

Professional Fees at 80%	\$36,828.80
Expenses at 100%	<u>0.00</u>
<b>TOTAL</b>	<b><u>\$36,828.80</u></b>

3. The professionals providing services, hourly billing rates, the aggregate hours worked by each professional, and the aggregate hourly fees for each professional during the Twenty Ninth Fee Period are set forth on the schedule annexed hereto as **Exhibit “A.”**

4. A summary of aggregate hours worked and aggregate hourly fees for each task code during the Twenty Ninth Fee Period is set forth on the schedule annexed hereto as **Exhibit “B.”**

5. Detailed time entry by task code during the Twenty Ninth Fee Period is set forth on the schedule annexed hereto as **Exhibit “C.”**

6. A summary of expenses incurred during the Twenty Ninth Fee Period is set forth on the schedule annexed hereto as **Exhibit “D.”**

7. Detailed breakdown of the expenses incurred during the Twenty Ninth Fee Period is set forth on the schedule annexed hereto as **Exhibit “E.”**

8. FTI reserves the right to request, in subsequent fee statements and applications, any fees and reimbursement of any additional expenses incurred during the Twenty Ninth Fee Period, as such fees and expenses may not have been captured to date in FTI’s billing system.

## **NOTICE AND OBJECTION PROCEDURES**

9. Notice of this Fee Statement shall be given by hand or overnight delivery or email where available upon (i) Sears Holdings Corporation, 3333 Beverly Road, Hoffman Estates, Illinois 60179, Attention: Mohsin Y. Meghji (email: mmeghji@miiipartners.com); (ii) counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attention: Ray C. Schrock (email: ray.schrock@weil.com), Jacqueline Marcus (email: jacqueline.marcus@weil.com), Garrett A. Fail (email: garrett.fail@weil.com), and Sunny Singh (email: sunny.singh@weil.com); (iii) William K. Harrington, the United States Trustee, U.S. Federal Office Building, 201 Varick Street, Suite 1006, New York, NY 10014, Attention: Paul Schwartzberg (e-mail: paul.schwartzberg@usdoj.gov) and Richard Morrissey (e-mail: richard.morrissey@usdoj.gov); and (iv) counsel to Bank of America, N.A., Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, NY 10036, Attention: Paul D. Leake (email: paul.leake@skadden.com), Shana A. Elberg (email: shana.elberg@skadden.com) and George R. Howard (email: george.howard@skadden.com); (v) Paul E. Harner, fee examiner, 1675 Broadway, New York, NY 10019 (email: harnerp@ballardspahr.com); and (vi) counsel to the fee examiner, Ballard Spahr LLP, 1675 Broadway, New York, NY 10019, Attention: Vincent J. Marriott (email: marriott@ballardspahr.com) and Tobey M. Daluz (email: daluzt@ballardspahr.com) (collectively, the “Notice Parties”).

10. Objections to this Fee Statement, if any, must be filed with the Court and served upon the Notice Parties so as to be received no later than December 8, 2021 (the “Objection Deadline”), setting forth the nature of the objection and the amount of fees or expenses at issue (an “Objection”).

11. If no objections to this Fee Statement are filed and served as set forth above, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified herein.

12. If an objection to this Fee Statement is received on or before the Objection Deadline, the Debtors shall withhold payment of that portion of this Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth above. To the extent such an objection is not resolved, it shall be preserved and scheduled for consideration at the next interim fee application hearing to be heard by the Court.

Dated: New York, New York  
November 23, 2021

FTI CONSULTING, INC.  
Financial Advisors to the Official Committee of  
Unsecured Creditors of Sears Holdings Corporation

By: /s/ Matthew Diaz  
Matthew Diaz, Senior Managing Director  
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New York, New York 10036  
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**EXHIBIT A**

**SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538**  
**SUMMARY OF HOURS BY PROFESSIONAL**  
**FOR THE PERIOD SEPTEMBER 1, 2021 TO SEPTEMBER 30, 2021**

<b>Professional</b>	<b>Position</b>	<b>Specialty</b>	<b>Billing Rate</b>	<b>Total Hours</b>	<b>Total Fees</b>
Star, Samuel	Sr Managing Dir	Restructuring	1,165	1.5	1,747.50
Diaz, Matthew	Sr Managing Dir	Restructuring	1,120	10.1	11,312.00
Eisler, Marshall	Managing Director	Restructuring	885	15.7	13,894.50
Shapiro, Jill	Sr Consultant	Restructuring	580	32.9	19,082.00
<b>TOTAL</b>				<b>60.2</b>	<b>\$ 46,036.00</b>

**EXHIBIT B****SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538****SUMMARY OF HOURS BY TASK****FOR THE PERIOD SEPTEMBER 1, 2021 TO SEPTEMBER 30, 2021**

Task Code	Task Description	Total Hours	Total Fees
3	Financing Matters (DIP, Exit, Other)	47.2	\$ 35,318.00
11	Prepare for and Attend Court Hearings	1.5	1,747.50
17	Wind Down Monitoring	3.9	3,104.50
18	Potential Avoidance Actions & Litigation	2.1	1,704.00
24	Preparation of Fee Application	5.5	4,162.00
<b>TOTAL</b>		<b>60.2</b>	<b>\$46,036.00</b>

**EXHIBIT C**  
**SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538**  
**DETAIL OF TIME ENTRIES**  
**FOR THE PERIOD SEPTEMBER 1, 2021 TO SEPTEMBER 30, 2021**

Task Category	Date	Professional	Hours	Activity
3	9/1/2021	Shapiro, Jill	0.7	Prepare materials re: litigation funding.
3	9/2/2021	Shapiro, Jill	0.4	Review key issues re: litigation funding.
3	9/9/2021	Diaz, Matthew	0.5	Participate in a call with counsel re: litigation funding materials.
3	9/9/2021	Diaz, Matthew	0.6	Review the updated litigation funding materials.
3	9/9/2021	Shapiro, Jill	3.8	Prepare materials re: litigation funding.
3	9/9/2021	Shapiro, Jill	0.3	Update materials re: litigation funding.
3	9/9/2021	Shapiro, Jill	0.5	Participate in a call with counsel re: litigation funding materials.
3	9/10/2021	Diaz, Matthew	0.9	Review the updated litigation funding materials.
3	9/10/2021	Shapiro, Jill	0.8	Prepare materials re: litigation funding.
3	9/10/2021	Shapiro, Jill	0.4	Participate on call with Counsel re: litigation funding.
3	9/11/2021	Shapiro, Jill	1.2	Prepare materials re: litigation funding.
3	9/13/2021	Diaz, Matthew	0.7	Review materials re: litigation funding.
3	9/13/2021	Shapiro, Jill	1.6	Prepare materials re: litigation funding.
3	9/14/2021	Diaz, Matthew	0.6	Review key issues re: litigation funding.
3	9/14/2021	Diaz, Matthew	0.3	Participate in a call with Akin re: litigation funding.
3	9/14/2021	Shapiro, Jill	1.7	Prepare materials re: litigation funding.
3	9/14/2021	Shapiro, Jill	0.3	Review materials re: litigation funding.
3	9/14/2021	Shapiro, Jill	0.4	Participate on call with counsel re: litigation funding.
3	9/15/2021	Diaz, Matthew	0.3	Review litigation funding materials.
3	9/15/2021	Shapiro, Jill	0.9	Prepare materials re: litigation funding.
3	9/17/2021	Diaz, Matthew	0.3	Review litigation funding materials.
3	9/20/2021	Shapiro, Jill	2.7	Prepare materials re: litigation funding.
3	9/20/2021	Eisler, Marshall	1.1	Review updated litigation funding materials.
3	9/20/2021	Eisler, Marshall	0.8	Provide comments re: litigation funding materials.
3	9/21/2021	Diaz, Matthew	1.1	Review the updated funding materials.
3	9/21/2021	Shapiro, Jill	2.9	Prepare materials re: litigation funding.
3	9/21/2021	Eisler, Marshall	2.1	Provide comments to litigation funding materials.
3	9/21/2021	Eisler, Marshall	0.8	Review and comment on litigation funding materials.
3	9/22/2021	Diaz, Matthew	0.9	Review the updated funding materials.
3	9/22/2021	Shapiro, Jill	1.5	Prepare litigation funding materials.
3	9/22/2021	Shapiro, Jill	0.6	Review key issues re: litigation funding.
3	9/22/2021	Shapiro, Jill	0.6	Participate on call with counsel re: litigation funding.
3	9/22/2021	Eisler, Marshall	1.8	Incorporate comments re: litigation funding materials.
3	9/23/2021	Diaz, Matthew	0.6	Review the updated materials re: litigation funding.
3	9/23/2021	Shapiro, Jill	0.3	Update materials re: litigation funding.
3	9/23/2021	Eisler, Marshall	1.2	Correspond with counsel re: litigation funding issues.
3	9/24/2021	Shapiro, Jill	3.6	Prepare materials re: litigation funding.
3	9/24/2021	Eisler, Marshall	1.2	Review updated litigation funding materials.
3	9/27/2021	Shapiro, Jill	1.0	Prepare materials re: litigation funding.
3	9/27/2021	Eisler, Marshall	1.9	Prepare materials re: litigation funding.
3	9/28/2021	Eisler, Marshall	1.3	Review key issues re: litigation funding.
3	9/30/2021	Eisler, Marshall	1.8	Prepare materials re: litigation funding.
3	9/30/2021	Shapiro, Jill	0.2	Prepare materials re: litigation funding.
<b>3 Total</b>			<b>47.2</b>	
11	9/27/2021	Star, Samuel	1.5	Attend court hearing re: fee applications, preference claims and transform APA.
<b>11 Total</b>			<b>1.5</b>	
17	9/27/2021	Eisler, Marshall	0.9	Review updated cash flow documents as provided by the Debtors.
17	9/28/2021	Diaz, Matthew	0.6	Review the updated cash flow and confirmation status report.
17	9/29/2021	Shapiro, Jill	1.6	Prepare analysis re: preference recoveries.
17	9/30/2021	Eisler, Marshall	0.8	Correspond w/ M-III re: cash flow forecasts.
<b>17 Total</b>			<b>3.9</b>	
18	9/22/2021	Shapiro, Jill	0.2	Prepare historical transaction analysis.
18	9/24/2021	Shapiro, Jill	0.2	Review historical transaction analysis.
18	9/28/2021	Diaz, Matthew	0.9	Review analysis re: historical holdings.

**EXHIBIT C**  
**SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538**  
**DETAIL OF TIME ENTRIES**  
**FOR THE PERIOD SEPTEMBER 1, 2021 TO SEPTEMBER 30, 2021**

Task Category	Date	Professional	Hours	Activity
18	9/30/2021	Shapiro, Jill	0.3	Prepare analysis re: preference recoveries.
18	9/30/2021	Shapiro, Jill	0.5	Review analysis re: historical transactions.
<b>18 Total</b>			<b>2.1</b>	
24	9/14/2021	Diaz, Matthew	0.3	Review Orient fee objection.
24	9/20/2021	Shapiro, Jill	2.4	Prepare the combined July/August monthly fee statement.
24	9/21/2021	Diaz, Matthew	0.8	Review the combined July/August fee statement.
24	9/21/2021	Diaz, Matthew	0.5	Review the response to the Orient objection to the Committee's advisors fees.
24	9/22/2021	Diaz, Matthew	0.2	Review the proposed interim order.
24	9/22/2021	Shapiro, Jill	0.3	Review draft interim order and reconcile with FTI records.
24	9/27/2021	Shapiro, Jill	1.0	Update and finalize fee statement.
<b>24 Total</b>			<b>5.5</b>	
<b>Grand Total</b>				<b>60.2</b>

**EXHIBIT D**

**SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538**  
**SUMMARY OF EXPENSES**  
**FOR THE PERIOD SEPTEMBER 1, 2021 TO SEPTEMBER 30, 2021**

Expense Type	Amount
	<b>Not Applicable in this month.</b>

**EXHIBIT E****SEARS HOLDINGS CORPORATION, et al. - CASE NO. 18-23538****EXPENSE DETAIL****FOR THE PERIOD SEPTEMBER 1, 2021 TO SEPTEMBER 30, 2021**

Date	Professional	Expense Type	Expense Detail	Amount
<b>Not Applicable in this month.</b>				